

City of Franklin Addendum No. 2 to

Purchasing Office Solicitation No.: 2018-012

1. Solicitation identified: This Addendum No. 2 applies to the following procurement:

bad debt collection services

Purchasing Office Solicitation No.: 2018-012

2. Notice to Proposers publication date: **March 8, 2018**
3. Solicitation release date: **March 9, 2018**
4. Addendum No. 1 release date: **March 30, 2018**
5. Deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation: **April 3, 2018, 2:00 p.m. Central Time**
6. Addendum No. 2 release date: **April 6, 2018**
7. Proposals submittal deadline and scheduled opening: **April 12, 2018, 2:00 p.m. Central Time**
8. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **May 4, 2018**
9. Tentative date of award: Meeting of Board of Mayor and Aldermen at which is tentatively scheduled to be awarded the selection of the proposal that best meets the needs of the City: **May 22, 2018**

10. Addendum:

In reference to the City of Franklin's March 9, 2018 Purchasing Office Solicitation No. 2018-012 for bad debt collection services, the City has been asked certain questions about the solicitation by one or more vendors who are potential proposers.

The purpose of this Addendum No. 2 is to announce the City's responses to the questions that have been asked since issuance of Addendum No. 1.

Please note that the submittal deadline and scheduled opening of all proposals received remains unchanged and is:

April 12, 2018, 2:00 p.m. Central Time

Below are the questions asked since issuance of Addendum No. 1 and the City's responses thereto:

City of Franklin Addendum No. 2 to

Purchasing Office Solicitation No.: 2018-012

Q1: RFP provision 10(k) (page 3) entitled “Confidential and/or Proprietary Trade Secrets”: This section clearly states that all submittals are subject to public disclosure and shall not contain any confidential and/or proprietary information or trade secrets; however, RFP provision 11.3.3.7 (page 7) asks for copies of audited financial statements, which are not public record for private companies. These two sections are contradictory and financial statements are protected under the following statutes/regulations: Tennessee Open Records Act (§10-7-503 et seq.) and The Tennessee Uniform Trade Secrets Act (§§ 47-25-1701 through 47-25-1709) which provide exemptions for “Trade secrets or proprietary information submitted by a bidder, offeror or contractor in connection with a procurement transaction or prequalification application submitted..., shall not be subject to the Tennessee Open Records Act (§10-7- 503 et seq.)”. As such, how should the bidders provide or present its CONFIDENTIAL/PROPRIETARY financial records while still complying with RFP provision 10(k) and ensuring that its trade secrets/financial data is not publicly disclosed?

A1: The City will comply with the Tennessee Open Records Act and all the subsequent exemptions.

Q2: RFP provision 11.4.4 (page 8, Knowledge & Experience in collection of Subrogation & Tort Claims): Is this section relevant to the RFP, as the City clearly states in RFP provision 11.22.1 (page 12) that the City has no delinquent accounts except Utilities & Court? How many subrogation & Tort claim accounts did the current vendor handle under the existing contract? Typically, subrogation & Tort claims are handled under legal services. Does the City intend to also allow for and contract said legal services?

A2: No, the City does not intend to contract for said legal services.

Q3: Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?

A3: The vendor shall not initiate any form of legal action without the expressed consent of the City.

Q4: If we’re located [outside of Tennessee], can we collect for your municipality?

A4: Yes, but all collection activity should be performed within the United States of America.

Q5: Does the City of Franklin have a preference for where collection activity is performed?

A5: All collection activity should be performed within the United States of America.

Q6: Will the City of Franklin allow select collection activity to be performed outside of the U.S.?

A6: No, all collection activity should be performed within the United States of America.

Q7: Is the City satisfied with the services provided by its current contracted (i.e., incumbent) agency?

City of Franklin Addendum No. 2 to
Purchasing Office Solicitation No.: 2018-012

A7: Yes.

Q8: What would the City change about the services provided by the incumbent agency?

A8: The City has not considered this question. The 2018 Request for Proposals, including addenda, reflects the City's effort to describe the services it seeks.

Q9: Is the City satisfied with the self-service tools (e.g., web-based client and payment portals) available to the City and its obligors?

A9: Yes.

Q10: How important is customer service to the City?

A10: Very important.

Q11: Does the City believe its obligors are currently receiving quality customer service?

A11: Yes. The City has received no complaints.

Q12: RFP provision 10(e) Use of subcontractors (page 2) indicates, "The successful proposer may subcontract any portion of the award but only with the prior consent of the City. Requirements for references and insurance shall apply to any subcontractor." Please clarify the City's definition of subcontractor. For example, does the City consider third-party vendors that provide letter services or batch skip tracing services to be subcontractors?

A12: No, not unless such third-party vendors are providing collection services. The City uses the term "subcontractor" in this context to mean another service provider retained by the awardee to provide the collection services instead of or in support of the awardee.

Q13: RFP provision 11.3.3.4 (page 7) indicates, "The proposer must provide a copy of the collection procedures, practices, forms, templates, email/phone scripts and other means to communicate with delinquent payees sufficient for the City to determine that the City's interests are well preserved." We consider internal written policies and procedures regarding collection practices to be highly confidential and, as such, prefer not to share them publicly. Will the City accept narrative descriptions of agency policies and procedures regarding collection practices in lieu of copies of internal policy and procedure documents?

A13: Such a written narrative description would be acceptable.

Q14: RFP provision 11.4 Proposal Evaluation Criteria for Award (page 7) indicates, "The City will conduct an initial evaluation of all proposals. From that review, one or more finalists may be invited to interview and/or requested to demonstrate the proposed software." If presentations are to be held, when does the City anticipate scheduling presentations?

A14: The City is targeting the week of April 23, 2018 for interviews and/or demonstrations, if conducted.

Q15: What percentage of the City's portfolio is comprised of subrogation and tort claim accounts?

City of Franklin Addendum No. 2 to

Purchasing Office Solicitation No.: 2018-012

A15: Zero.

Q16: Regarding RFP provision 11.4.4 (page 8), entitled “Knowledge and Experience of Proposer in collection of Subrogation and Tort Claim Accounts,” states, “The proposer’s staff shall demonstrate suitable experience and skill in collection subrogation and tort claim accounts as well as past due accounts receivable. Management, staff selections, training and certification will be considered.” Will the City consider agency experience with other municipal and state receivables (e.g., damage claims, court fines and fees, taxes, etc.) in evaluating agencies under this section?

A16: Yes.

Q17: RFP provision 11.22.1 (page 12) provides detailed portfolio information for utility service bills and court fines and fees placed during fiscal years 2016 and 2017. Why was there a decrease year over year in account placements?

A17: (Please note that the data referenced in Q17 has been replaced by Exhibit 1 which is attached to Addendum No. 1.) The City’s Utility Billing Department has undergone a software conversion requiring a temporary suspension of referrals (4 months) that will be placed at the time of the new contract. Court has a twelve-month backlog of referrals to send at the implementation of the new contract.

11. Acknowledge receipt of addendum: Proposers shall acknowledge receipt of this addendum on the Proposal Submittal Form in the space to the right of the text on that form that reads, “Receipt acknowledged of any and all issued addenda to this solicitation.”

12. Questions: The deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation has now passed. To ask questions of a procedural nature, please contact:

City of Franklin Purchasing Office
Franklin City Hall, Suite 107
109 3rd Ave. South
Franklin, TN 37064
purchasing@franklinton.gov
Tel: 615/550-6692
Fax: 615/550-0079

13. Communication with City during procurement phase: Any questions about either the content of or the procurement process pertaining to this procurement solicitation should be addressed as described above. Until the procurement award has been made, vendors shall not communicate about either the content of or the procurement process pertaining to this procurement solicitation with any official, employee or other representative of the City except through the City’s Purchasing Office. The City reserves the right to disqualify any vendor that initiates unauthorized communication with the City during the procurement phase.